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automotive **FLEET**

CAR AND LIGHT TRUCK FLEET AND LEASING MANAGEMENT MAGAZINE



Budget's Belzberg Interview
Rental Software Programs
Convention Reviews
Captive Financing
Van Rentals

Features



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VEHICLE EXPENSES

For the 14th year in the past 15, automobile ownership and operating expenses rose as all major vehicle outlays increased, according to the annual 1987 estimates issued by The Hertz Corporation

New-Car Ownership and Operating Costs Study

A recently-issued survey by The Hertz Corp. reports a rise in auto ownership and operating expenses and increases in all major vehicle outlays, as indicated by their estimates for 1987. Topping the half-dollar mark, a typical compact model reached a record operating cost of 51.14 cents a mile, an increase of 5.5 percent or 2.7 cents above 1986's 48.48 cents a mile. This 51.15 cents a mile figure is for a normally-equipped compact make, purchased new and driven 10,000 miles annually for five years, the typical pattern for U.S. new-car driving.

Since 1972, the year prior to the first Arab oil embargo, the cost of owning and operating a typical U.S. car has soared by 220 percent, with the only drop of 5.2 percent occurring in 1983. In comparison, the overall national costs of living have increased by 171 percent for the same 15-year period.

The new survey lists the 1987 increases in all auto expense categories: licenses, taxes, fees, interest, maintenance, repairs, fuel, and depreciation—the difference between the purchase price of the auto and its resale value. The study excludes parking costs and tolls.

Typically, the purchase price for a 1987 compact car rose by nearly 6.9 percent to \$11,155 from the 1986 price of \$10,439. Since 1972, the typical purchase price for an auto has climbed by 305 percent. The study points out that purchase price increases can also boost depreciation, loan, tax, and insurance outlays. The study also notes that the increase in sticker price is higher than the operating cost increase, because people are driving smaller cars fewer miles and keeping these cars longer.

Vehicle size, equipment, annual mileage, duration of ownership, and

**Hertz 1978-1987 Cost Estimates
by Car Size**

Year	1987	'87-86% Change	1986	1985	1984	1983	1982	1978	'78-87% Change
Subcompact	.4757	1.177	.4042	.4092	.3663	.3463	.3418	.2252	+ 1.11
COMPACT	.5114	1.055	.4848	.4764	.4567	.4328	.4467	.2485	+ 1.06
Mid-size	.5997	1.068	.5613	.4715	.4861	.4546	.4902	.2873	+ 1.05
Intermediate	.6107	1.118	.5464	.5283	.5019	.4956	.5009	.2891	+ 1.11
Standard	.6637	1.054	.6298	.5977	.6297	.5542	.5231	.3233	+ .948
5-Size AVG.	.5722	1.089	.5253	.5018	.4817	.4567	.4605	.2747	+ 1.08

VEHICLE EXPENSES

locale are all significant variables in the cost of auto expenses, according to Hertz.

In the current report, the sharpest increase was for a subcompact,

driven. The remaining 25 percent of expenses are the variable or running costs, such as gasoline, oil, maintenance, repairs, parts, and accessories.

In the current Hertz report, the sharpest increase was for a subcompact which rose 17.7 percent from 40.42 cents a mile in 1986 to 47.57 cents a mile in 1987.

which rose 17.7 percent, from 40.42 cents in 1986 to 47.57 cents in 1987. Standard-size autos rose 5.4 percent to 66.37 cents a mile, almost a 40-percent increase above the 47.57 cents a mile cost for a subcompact for the same period.

According to the Hertz study, keeping cars longer can save motorists money. For example, a new 1987 compact driven 10,000 miles a year and traded annually costs 62.5 cents a mile, whereas one that is run 10,000 miles annually for 10 years averages 39.8 cents a mile, a savings of 22.72 cents a mile or \$22,720 for the life span of the car.

Three-quarters of all outlays for typical driving are fixed or standing expenses such as depreciation, interest, insurance, licenses, taxes, and various fees. These expenses are influenced largely by the purchase price of the car and the length of time the vehicle is

Trading (or selling) a car sooner raises the fixed to variable cost ratio to about four-fifths of the total charges. Keeping a car longer will usually lower it to roughly two-thirds of the total charges.

The report from Hertz stresses that variation in annual driving distances will have a material effect on cents-per mile costs as the annual fixed dollar outlay is divided by more, or fewer, miles.

For the five-year owner, a new 1987 compact's costs ranged from 89.43 cents a mile at 5,000 miles a year to 28.08 cents a mile at 20,000 miles a year—61.35 cents a mile less.

On an annual dollar basis, however, 5,000 miles a year totals just \$4,471, while 20,000 miles a year totals \$5,616—\$1,145 a year more. For 1986, the latest year for which there are mileage figures, the average driving distance for U.S. passenger cars in their first five years

of service was 11,005 miles. (Cars are typically driven more miles in early years; fewer miles in later years.)

The Hertz data reflects ongoing changes in automotive purchase and driving patterns for the U.S. motorist. From the early 1970s to the early 1980s, motorists purchased smaller vehicles which they kept longer and drove less in their attempts to keep their driving costs in line with family income. However, 1984 through 1986 have seen an increase in the average yearly passenger car miles. Other survey findings indicate that compact cars, rather than intermediates, are the most typical new models purchased, and most vehicles are about a foot shorter than their 1972 counterparts. New cars are now kept an average of 5.4 years against the 3.6 years average of 1972, and the average age of all cars on the road is now 7.6 years as compared to the 5.7 years of 15 years ago.

Because driving expenses can vary dramatically from a wide array of circumstances, Hertz believes motorists should figure their own vehicle outlays. As an example, the cost for parking and tolls in major cities can add 10 to 40 cents a mile to the 51.14 cents average for the compact driven 10,000 annual miles for five years. As driving patterns vary, so can costs vary substantially even for similar autos in the same locale driven for equal mileage and use periods. AF

DeAnza



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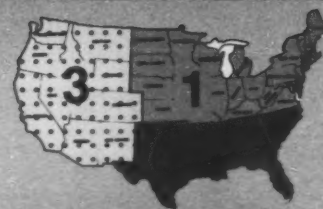
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USED CARS

The following are average used-car prices for the period ending May 4, 1988. Prices are based on wholesale activity at major dealers across the country. They are divided into three zones as indicated on the accompanying map. These averages are calculated electronically in IBM machines. They are based on clean cars only. Proper allowance should be made for upgrading sharp cars and proper deduction taken for fair cars. Automatic transmissions have been included in the averages of all models. This information is published in *Automotive Fleet* by special permission of Automotive Market Report.



86 AMC ALLIANCE Sdn 4 Dr L Series	3512	3549	3443	85 DODGE DIPLOMAT Sdn	5184	5237	5082	85 OLDS CUTLASS SUPREME Sdn	5610	5665	5495
85 AMC ALLIANCE Sdn 4 Dr L Series	2689	2714	2635	85 DODGE LANCER Sdn	4011	4048	3927	86 OLDS DELTA 98 Rgcy Sdn	9403	9498	9216
86 AMC ENCORE Sdn 5-Dr S Series	3445	3480	3377	85 DODGE 600 Sdn	5779	5835	5662	85 OLDS DELTA 98 Rgcy Sdn	7675	7751	7520
85 AMC ENCORE Sdn 5-Dr S Series	2673	2698	2618	85 DODGE 600 Sdn	5565	5620	5453	86 PLYMOUTH HORIZON Htchbk 4 Dr	3609	3644	3536
86 BUICK SKYHAWK Cust Coupe	5940	6002	5822	85 FORD ESCORT Htchbk 4 Dr L Series	4235	4278	4151	85 PLYMOUTH HORIZON Htchbk 4 Dr	2823	2853	2768
86 BUICK CENTURY Cust Sdn	6029	6091	5910	85 FORD ESCORT Htchbk 4 Dr L Series	3787	3826	3710	86 PLYMOUTH RELIANT Sdn	4483	4527	4396
85 BUICK CENTURY Cust Sdn	6316	6381	6191	86 FORD MUSTANG LX-4 Cpe	2982	3021	2831	85 PLYMOUTH RELIANT Sdn	3396	3427	3326
86 BUICK SKYLARK Cust Sdn	5130	5180	5026	85 FORD MUSTANG LX-4 Cpe	5461	5514	5350	86 PLYMOUTH CARAVELLE SE Sdn	5619	5674	5506
85 BUICK SKYLARK Cust Sdn	6346	6410	6219	85 FORD TAURUS GL Sdn 4 Dr	4475	4519	4387	86 PLYMOUTH GRAN FURY Salon Sdn	5218	5268	5114
85 BUICK SCHMIDT REGAL Coupe	3881	3922	3806	86 FORD TEMPO GL Sdn 4 Dr	7335	7412	7191	85 PLYMOUTH GRAN FURY Salon Sdn	4157	4198	4073
86 BUICK RIVIERA Coupe	6403	6464	6273	85 FORD TEMPO GL Sdn 4 Dr	4762	4810	4668	86 PONTIAC T-1000 Sdn	3180	3214	3117
85 BUICK RIVIERA Coupe	10,268	10,370	10,064	86 FORD LTD Sdn	3702	3740	3630	85 PONTIAC T-1000 Sdn	2574	2600	2520
86 BUICK LE SABRE Cust Sdn	8489	8573	8320	85 FORD LTD Sdn	4879	4928	4781	86 PONTIAC SUNBIRD Sdn	4895	4944	4797
85 BUICK LE SABRE Cust Sdn	7883	7962	7727	85 FORD CROWN VIC Sdn	3820	3857	3742	85 PONTIAC SUNBIRD Sdn	3859	3900	3785
86 CADILLAC DE VILLE Cpe	6333	6397	6209	85 FORD CROWN VIC Sdn	8478	8564	8310	86 PONTIAC GRAND AM Sdn	6104	6164	5983
85 CADILLAC DE VILLE Cpe	11,979	12,098	11,740	86 FORD THUNDERBIRD Cpe	6933	7003	6794	85 PONTIAC GRAND AM Sdn	4720	4768	4624
86 CADILLAC SEVILLE Sdn	12,135	12,257	11,895	85 FORD THUNDERBIRD Cpe	7230	7303	7089	86 PONTIAC FIREBIRD Cpe	6808	6872	6473
85 CADILLAC SEVILLE Sdn	9246	9340	9062	86 LINCOLN CONTINENTAL Sdn	5966	6026	5843	85 PONTIAC FIREBIRD Cpe	6878	6947	6740
86 CHEVY CHEVETTE Htchbk 4 Dr	9246	9340	9062	85 LINCOLN CONTINENTAL Town Car Sdn	14,035	14,175	13,753	86 PONTIAC BONNEVILLE Sdn	5746	5806	5634
85 CHEVY CHEVETTE Htchbk 4 Dr	12,644	12,770	12,393	86 MERCURY LYNX L Htchbk 4 Dr	12,817	12,946	12,581	85 PONTIAC BONNEVILLE Sdn	6526	6592	6397
86 CHEVY CAMARO Cpe	3149	3178	3086	85 MERCURY LYNX L Htchbk 4 Dr	13,724	13,859	13,450	86 PONTIAC GRAND PRIX Cpe	5027	5077	4926
85 CHEVY CAMARO Cpe	2520	2547	2470	86 MERCURY COUGAR Cpe LS	11,464	11,578	11,234	85 PONTIAC GRAND PRIX Cpe	6909	6981	6773
86 CHEVY CAVALIER Sdn	6794	6861	6658	85 MERCURY COUGAR Cpe LS	10,404	10,508	10,197	86 PONTIAC PARISIENNE Sdn	5737	5795	5623
85 CHEVY CAVALIER Sdn	5681	5737	5568	86 MERCURY TOPAZ GS Sdn 4 Dr	8045	8127	7884	85 PONTIAC PARISIENNE Sdn	7826	7906	7674
86 CHEVY CAVALIER Sdn	4550	4596	4460	85 MERCURY TOPAZ GS Sdn 4 Dr	6603	6669	6470	86 NISSAN SENTRA Std Sdn 2 Dr	8193	8254	8070
85 CHEVY CAVALIER Sdn	3650	3686	3577	86 MERCURY MARQUIS Sdn	4934	4984	4834	85 NISSAN STANZA GL Htch 4 Dr	3979	4019	3899
86 CHEVY CELEBRITY Sdn	5864	5922	5747	85 MERCURY MARQUIS Sdn	3824	3861	3746	86 NISSAN MAXIMA SE Sdn	6495	6580	6365
85 CHEVY CELEBRITY Sdn	4551	4597	4460	86 MERCURY MARQUIS Sdn	4971	5020	4871	85 NISSAN MAXIMA SE Sdn	9852	9951	9655
86 CHEVY CAPRICE Sdn	6390	6454	6260	85 MERCURY GRAND MARQUIS Sdn	3570	3591	3705	86 NISSAN STANZA XE Htchbk 4 Dr	4673	4719	4580
85 CHEVY CAPRICE Sdn	5979	6038	5856	86 OLDS FIRENZA Sdn	9051	9143	8869	85 NISSAN MAXIMA SE Sdn	8085	8167	7923
86 CHRYSLER LE BARON Cpe	5844	5904	5731	85 OLDS FIRENZA Sdn	7385	7480	7235	86 TOYOTA COROLLA Sdn 4 Dr Dlx	5728	5786	5613
85 CHRYSLER LE BARON Cpe	5903	5964	5787	86 OLDS CIERA L Coupe	4984	5033	4883	85 TOYOTA CAMRY Sdn 4 Dr Dlx	7706	7782	7552
86 CHRYSLER LE BARON Cpe	4695	4742	4602	85 OLDS CIERA L Sdn	3932	3970	3853	86 TOYOTA CRESSIDA Lux Sdn	11,300	11,412	11,074
85 CHRYSLER FIFTH AVENUE Sdn	4725	4775	4631	86 OLDS CIERA LS Cpe	8246	8312	8125	85 TOYOTA COROLLA Sdn 4 Dr Dlx	4826	4874	4729
86 CHRYSLER FIFTH AVENUE Sdn	6970	7058	6791	85 OLDS CALAIS Sdn	6324	6387	6198	86 TOYOTA CAMRY Dlx Sdn 4 Dr	6265	6326	6140
85 CHRYSLER FIFTH AVENUE Sdn	7290	7363	7143	86 OLDS CUTLASS SUPREME Cpe	5081	5111	4980	85 VOLKSWAGEN JETTA Sdn 4 Dr	6703	6773	6573
86 DODGE OMNI Htchbk 4 Dr	3611	3645	3538	85 OLDS CUTLASS SUPREME Cpe	6973	7043	6830	86 VOLKSWAGEN JETTA Sdn 4 Dr	5574	5630	5463
85 DODGE OMNI Htchbk 4 Dr	2827	2856	2771	86 DODGE DIPLOMAT Sdn	6794	6861	6659				
86 DODGE ARIES Sdn	4502	4548	4412								
85 DODGE ARIES Sdn	3395	3426	3324								
86 DODGE DIPLOMAT Sdn											

NEW PRODUCTS

BESIDES DRIVING SCHOOLS, right-hand-drive vehicles are now being used by a large number of municipalities for parking control vehicles. Right-hand and dual-drive vehicles feature spiral-cut gears in gear boxes for longer life. There are no chains or belts anywhere in the braking or steering mechanisms.

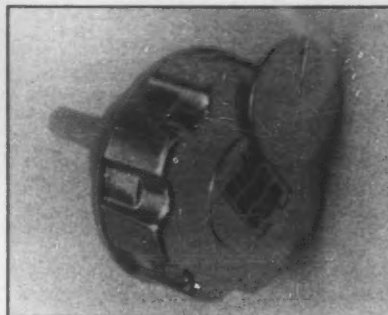


Both right- and left-side braking mechanisms are tied to the original factory master cylinder eliminating any possibility of brake delay and unwanted maintenance. All control parts are factory parts save for the gear boxes, shafts, and U-joints, and there is individual, independent throttle linkage for each side of the vehicle to throttle. If dual drive, the turn signal, wiper, and hazard light controls are located at each steering

position with the ignition key centrally located. *U.S. Coachworks.*

Circle 215 on Inquiry Card

EXTRA PROTECTION and a spare keyholder come in a single gas cap. The Dial Gas Cap is a personal-combination locking gas cap with a keyholder that is designed of strong metal and gas-resistant plastic. The unit prevents syphoning of



gas from the vehicle and fits the majority of cars with standard-size gas caps. *2nd City Distributors.*

Circle 216 on Inquiry Card

THE NEW SENTRY PACK HIGHWAY KIT features a complete selection of emergency supplies needed for highway travel. The



kit includes flashlight, set of all-copper battery cables, road atlas, road flares, first-aid kit, help flag, and more. The complete kit is supplied in a rugged, guaranteed case. *Safetyscope, Inc.*

Circle 217 on Inquiry Card

SOMETIMES DRIVERS GET SO CLOSE to overhead traffic lights that the light can't be seen. This new product is an optically-precise wide-view lens that gives drivers a full view of overhead traffic lights and signs. It can be mounted instantly on any front windshield. An adjustable bracket backed with pressure-sensitive tape holds the lens securely to the top of the windshield, and it can be bent to the desired angle for the best view. *Roberk Division, Parker Automotive.*

Circle 218 on Inquiry Card

A NEW VEHICLE COMPUTER designed to place accurate travel data at a driver's fingertips has been introduced. The Odometer Data Computer (ODC) consists of a computer with 2K memory and with printer. The computer, which attaches to a vehicle's driveshaft via two magnets, a strap system, and epoxy, can be installed by any auto sound-system technician. The computer's magnets emit pulses as they rotate. Once the ODC's odometer is calibrated with the vehicle's, it records actual distance traveled, as well as day, date, and time. Weigh-

GAS PRICES

UNLEADED

City	Cost Per Gallon Unleaded	
	Full-Serve	Self-Serve
Pine Bluff, AR	125.2	86.9
Oakland, CA	142.9	99.6
Denver, CO	131.0	102.2
Washington, DC	135.9	100.5
Miami, FL	128.6	92.0
Honolulu, HI	176.5	123.2
Des Moines, IA	138.0	108.0
Kansas City, KS	101.2	90.9
Springfield, MA	98.9	97.9
Minneapolis, MN	139.5	102.2
Hannibal, MO	96.9	84.9
Reno, NV	145.0	111.0
New York City, NY	111.7	89.9
Charleston, SC	118.4	88.9
Houston, TX	126.2	86.2

Survey conducted during the first five working days of May 1988.
Supplied by Runzheimer International, Runzheimer Park, Rochester, WI.